Position 5

Form RD 440-34 (Rev. 10-00)

FORM APPROVED OMB NO. 0575-0172

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT FARM SERVICE AGENCY

OPTION TO PURCHASE REAL PROPERTY

1. In consideration of the sum of \$	einafter called the "Seller"), who covenants to be
(Name and Addresss)	
(hereinafter called the "Buyer"), and hereby grants to the said Buyer the exclusiv	e and irrevocable option and right to purchase, under
the conditions hereinafter provided, the following-described property, located in	
County, State of: (Insert here full and complete legal description, including volume and page where and water stock being purchased.)	e recorded, of the property including any water rights

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0172. The time required to complete this information collection is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The title to said property is to be conveyed free and clear of all encumbrances except for the following reservations, exceptions and leases, and no others:
Insert here a full statement of all reservations, exceptions and leases, including in the case of leases, the date of the termination of the ease, the correct name(s) and address(es) of the lessee(s) and, if recorded, the place of recordation)
2. The option is given to enable the Buyer to obtain a loan made by the United States of America, acting through the Rural Housing Service; Rural Utilities Service; Rural Business-Cooperative Service; Farm Service Agency, hereinafter called the "Government" for the purchase of said property. It is agreed that the Buyer's efforts to obtain a loan constitute a part of the consideration for this option and any downpayment will be refunded if the loan cannot be processed by the Government.
3. The total purchase price for said property is \$
includes mentioned in paragraph 1. The Seller agrees to pay all expenses of title clearance including, if required, abstract or certificate of title or policy of title nsurance, continued down to the date of acceptance of this option and thereafter continued down to and including date of recordation of the deed from the Seller to the Buyer, costs of survey, if required, and attorney's fees; and the Seller agrees that, except as herein provided, all taxes, liens, encumbrances or other interests in third persons will be satisfied discharged, or paid by the Seller including stamp taxes and other expenses incident to the preparation and execution of the deed and other evidences of title. Title evidences will be obtained from persons and be in such form as the Government shall approve.
(Strike inapplicable language above or insert herein any different agreement regarding the paying of title clearance charges)
5. The Seller also agrees to secure for the Buyer, from the records of the Farm Service Agency, aerial surveys of the property when available, all obtainable information relating to allotments and production history and any other information needed in connection with

- the consideration of the proposed purchase of the property.
- The Seller further agrees to convey said property to the Buyer by general warranty deed (except where the law provides otherwise for conveyances by trustees, officers of courts, etc.) in the form, manner and at the time required by the "Government, conveying to the Buyer a valid, unencumbered, indefeasible fee-simple title to said property meeting all requirements of the Government; that the purchase price shall be paid at the time of recording such deed; and that said lands, including improvements, shall be delivered in the same condition as they now are, customary use and wear excepted.
- Taxes, water assessments and other general and special assessments of whatsoever nature for the year in which the closing of the transaction takes place shall be prorated as of the date of the closing of the transaction, it being expressly agreed that for the purpose of such proration the tax year shall be deemed to be the calendar year. If the closing of the transaction shall occur before the tax rate is fixed, the apportionment of taxes shall be on the basis of the tax rate for the next preceding year applied to the latest assessed valuation.

(Insert here any different tax agreement)

at	, in the city	of	
Coun	nty of , St	ate of	,
this o	offer herein shall remain irrevocable for a period of orce thereafter until one (1) year from the date hereof unless offer at any time after the months ir days written notice of intention to terminate at the address of the after such notice is received by the Buyer shall constitute a valid access.	revocable period provided Buyer. Acceptance of this	herein by giving to the Buyer ter
recor	Loss or damage to the property by fire or from an act of God shall ded, and in the event that such loss or damage occurs, the Buyer elect to accept conveyance of title, in which case there shall be an equ	may, without liability, refu	use to accept conveyance of title, or
is acc	The Seller agrees that, irrespective of any other provision in this cepted, without any liability therefore refuse to accept conveyance or insured because of defects in the title to other land now owned by	of the property described h	nerein if the foresaid loan cannot be
descr	The Seller agrees to furnish, at Seller's expense, to the Buyer ribed building(s) covered by this option (a) is now free of termit age or has suffered unrepaired termite damage which is specifically described to the suffered unrepaired termite damage which is specifically described to the suffered unrepaired termited termited to the suffered unrepaired termited termited to the suffered unrepaired termited	e infestation and (b) either	
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(For use if Seller is a corporation)

Secretary, at		, State of	_ , State of		
on the	day of	, , ·			
(CORPORAT	E SEAL)		Name of Cornoration		
,	,	By:	Name of Corpo		

ACKNOWLEDGMENT